



POSTAL REGULATORY COMMISSION

[Docket No. CP2023-151; Order No. 6508]

Competitive Price Changes

AGENCY: Postal Regulatory Commission.

ACTION: Notice.

SUMMARY: The Commission is recognizing a recently filed Postal Service document with the Commission concerning changes in rates and classifications of general applicability for Competitive products. This notice informs the public of the filing, invites public comment, and takes other administrative steps.

DATES: *Comments are due:* June 1, 2023.

ADDRESSES: Submit comments electronically via the Commission's Filing Online system at <http://www.prc.gov>. Those who cannot submit comments electronically should contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section by telephone for advice on filing alternatives.

FOR FURTHER INFORMATION CONTACT: David A. Trissell, General Counsel, at 202-789-6820.

SUPPLEMENTARY INFORMATION:

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I. Introduction

On May 10, 2023, the Postal Service filed notice with the Commission concerning changes in rates and classifications of general applicability for

Competitive products.¹ The Postal Service represents that, as required by 39 CFR 3035.102(b) and 39 CFR 3035.104(b), the Notice includes an explanation and justification for the changes, the effective date, and a schedule of the changed rates. Notice at 1. The changes are scheduled to take effect on July 9, 2023. *Id.*

Attached to the Notice is Governors' Decision No. 23-3, which states the new prices are in accordance with 39 U.S.C. 3632 and 3633 and 39 CFR 3035.102.² The Governors' Decision provides an analysis of the Competitive products' price and classification changes intended to demonstrate that the changes comply with 39 U.S.C. 3633 and 39 CFR part 3035. Governors' Decision No. 23-3 at 1. The Attachment to the Governors' Decision 23-3 sets forth the classification and price changes and includes draft Mail Classification Schedule (MCS) language for Competitive products of general applicability.

The proposed pricing and classification changes in the Notice assume Commission approval of pending pricing and classification changes proposed in Docket Nos. CP2023-113 and CP2023-114. See Notice at 3.

The Notice also includes an application for non-public treatment of the attributable costs, contribution, and cost coverage data in the unredacted version of the annex to the Governors' Decision, as well as the supporting materials for the data. *Id.* at 1-2.

II. Summary of Changes

¹ USPS Notice of Changes in Rates and Classifications of General Applicability for Competitive Products, May 10, 2023 (Notice). Pursuant to 39 U.S.C. 3632(b)(2), the Postal Service is obligated to publish the Governors' Decision and record of proceedings in the *Federal Register* at least 30 days before the effective date of the new rates.

² Notice, Decision of the Governors of the United States Postal Service on Changes in Rates and Classification of General Applicability for Competitive Products (Governors' Decision No. 23-3), at 1 (Governors' Decision No. 23-3).

Proposed changes are limited to Parcel Select, First-Class Package Service, International Ancillary Services and Special Services, and Officially Licensed Retail Products. No other price or classification changes are proposed in this docket. See Governors' Decision 23-3 at 2-3.

Parcel Select changes. The proposed changes to the MCS in the Governors' Decision No. 23-3 show the Postal Service's planned price changes for Parcel Select. On average, Parcel Select prices are proposed to increase 1.4 percent. See *id.* at 2. In a change from the proposal under consideration in Docket No. CP2023-114, the Postal Service proposes to maintain its ounce-based prices at 15.999 ounces, as well as including a 1-pound price. See *id.* The Postal Service states that this change is to accommodate mailers' concerns regarding programming changes. *Id.*

First-Class Package Service changes. The proposed changes to the MCS in the Governors' Decision No. 23-3 show the Postal Service's planned price changes for First-Class Package Service, which will be renamed as USPS Ground Advantage. On average, Retail prices are proposed to decrease 3.2 percent and Commercial prices are proposed to decrease 0.7 percent. See *id.* at 2-3. In a change from the proposal under consideration in Docket No. CP2023-113, the Postal Service proposes to maintain its ounce-based prices at 15.999 ounces, as well as including a 1-pound price. See *id.* at 3. The Postal Service states that this change is to accommodate mailers' concerns regarding programming changes. *Id.* Other changes listed for First-Class Package Service in Governors' Decision 23-3 were either previously approved in Order No. 6318 or previously proposed in Docket No. CP2023-113.³

³ See Docket Nos. MC2022-81 and MC2022-82, Order Removing USPS Retail Ground from the Competitive Product List and Approving Competitive Classification Changes to First-

International Ancillary Services and Special Services. The proposed changes to the MCS in the Governors' Decision 23-3 show the Postal Service's planned price changes for International Ancillary Services and Special Services. On average, prices are proposed to increase 6.3 percent. Governors' Decision 23-3 at 3.

Officially Licensed Retail Products. The proposed changes to the MCS in the Governors' Decision 23-3 show the Postal Service's planned price changes for Officially Licensed Retail Products. The upper price limit is proposed to increase to \$16,000. See Attachment to the Governors' Decision 23-3. The Postal Service states that the increase in the upper bound of the price limit is to give the Postal Service more flexibility to enter into licensing partnerships with retailers on items with a higher price point. Notice at 2.

III. Initial Administrative Actions

The Commission establishes Docket No. CP2023-151 to consider the Postal Service's Notice. Interested persons may express views and offer comments on whether the planned changes are consistent with 39 U.S.C. 3632, 3633, and 3642, 39 CFR part 3035, and 39 CFR 3040 subparts B and E. Comments are due no later than June 1, 2023. For specific details of the planned price changes, interested persons are encouraged to review the Notice, which is available on the Commission's website at www.prc.gov.

Pursuant to 39 U.S.C. 505, Arif Hafiz is appointed to serve as Public Representative to represent the interests of the general public in this docket.

IV. Ordering Paragraphs

It is ordered:

1. The Commission establishes Docket No. CP2023-151 to provide interested persons an opportunity to express views and offer comments on whether the planned changes are consistent with 39 U.S.C. 3632, 3633, and 3642, 39 CFR part 3035, and 39 CFR 3040 subparts B and E.

2. Comments are due no later than June 1, 2023.

3. Pursuant to 39 U.S.C. 505, the Commission appoints Arif Hafiz to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in this docket.

4. The Secretary shall arrange for publication of this order in the **Federal Register**.

By the Commission.

Erica A. Barker,

Secretary.

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